

Amendment No. 1 to HB1696

Brooks H
Signature of Sponsor

AMEND Senate Bill No. 1762

House Bill No. 1696*

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 49-9-209(d), is amended by deleting the subsection in its entirety and substituting instead:

(d)

(1) The board of trustees shall:

(A) Appoint a chief executive officer of the University of Tennessee system, who shall be the president of the University of Tennessee system. The president shall serve at the pleasure of the board, subject to the terms of any written employment contract approved by the board;

(B) Define the president's duties, including the president's administrative duties with respect to the system and the individual institutions of the system and, within budgetary limitations, fix the president's compensation and other terms of employment;

(C) Approve, upon the recommendation of the president, the appointments of persons to fill vacant or new positions as chancellors of the campuses and the Institute of Agriculture and, within budgetary limitations, approve their initial compensation and other terms of employment. The chancellors shall:

(i) Report directly to the president. The president shall have authority to annually evaluate the chancellors and to annually set their compensation and other terms of employment; and

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(ii) Serve at the pleasure of the president. The president shall have authority to remove the chancellors at any time without the approval of the board of trustees.

(D) Approve, upon the recommendation of the president, the appointments of persons to fill other vacant or new positions as officers of the University of Tennessee system designated in the bylaws duly adopted by the board of trustees and approve their initial compensation and other terms of employment. Such other officers of the University of Tennessee system shall:

(i) Report directly to the president unless otherwise provided in the bylaws duly adopted by the board of trustees. The president shall have authority to annually evaluate such other officers and to annually set their compensation and other terms of employment; and

(ii) Serve at the pleasure of the president. The president shall have authority to remove such other officers at any time without the approval of the board of trustees; provided, that the board alone shall have authority to remove the chief financial officer and the chief legal officer;

(E) Have the power to remove the president and, notwithstanding subdivision (d)(1)(C)(ii), the chancellors at any time;

(F) Annually adopt an operating budget, set student tuition and fees, and take all actions necessary and appropriate to ensure the financial stability and solvency of the University of Tennessee system;

(G) Confirm the salaries of all employees of the University of Tennessee system and the individual institutions by adoption of the annual operating budget for the university;

(H) Have authority to adopt policies governing the granting and removal of tenure for faculty members;

(I) Exercise general control and oversight of the University of Tennessee system and its institutions, delegating to the president the executive management and administrative authority necessary and appropriate for the efficient administration of the system or necessary to carry out the mission of the system, and delegating to each chancellor the executive management and administrative authority necessary and appropriate for the efficient administration of such chancellor's institution and its programs, subject to the general supervision of the president. The president shall exercise administrative authority over the chancellors;

(J) Establish a mechanism by which a person may bring an issue to the attention of the board and provide notice of that mechanism to the public;

(K) Provide, in conjunction with regular meetings of the board, a reasonable opportunity for the public to address the board or a board committee concerning issues germane to the responsibilities of the board;

(L) Have the authority to name buildings owned by the university or its institutions; and

(M) Exercise all powers and take all actions necessary, proper, or convenient for the accomplishment of the university's mission and the responsibilities of the board.

(2) As used in this subsection, "institution" includes the University of Tennessee, Knoxville, the University of Tennessee at Chattanooga, the University of Tennessee at Martin, the University of Tennessee Health Science Center, the University of Tennessee Space Institute, the Institute of Agriculture, and the Institute for Public Service.

SECTION 2. Tennessee Code Annotated, Section 49-9-401(c)(1), is amended by deleting the subdivision in its entirety and substituting instead:

The president of the University of Tennessee, with the approval of the board of trustees, is authorized to appoint a general advisory committee to aid in directing the activities of the institute and other specific advisory committees that may be desirable to aid in accomplishing the several purposes of this part.

SECTION 3. Tennessee Code Annotated, Section 49-9-401(d), is amended by deleting the first sentence of the subsection and substituting instead:

The president of the University of Tennessee is authorized to appoint an individual to function as the chief administrator of the institute. The president is further authorized to fix the title, compensation, and other terms of employment of the chief administrator. The president may delegate this appointing authority to another officer of the university. The chief administrator of the institute shall serve at the pleasure of the president or other officer of the university who exercises this appointing authority.

SECTION 4. Tennessee Code Annotated, Section 49-9-206, is amended by deleting the section in its entirety and substituting instead:

(a) There shall be the following standing committees of the board of trustees, together with other standing and ad hoc committees as the board may create from time to time:

- (1) Academic affairs and student success;
- (2) Advancement and public affairs;
- (3) Athletics;
- (4) Audit and compliance;
- (5) Executive and compensation;
- (6) Finance and administration;
- (7) Health affairs;
- (8) Research, outreach, and economic development;
- (9) Trusteeship; and
- (10) University life.

(b) The academic affairs and student success committee shall oversee matters related to the university's educational mission of teaching, research, and service. It shall concern itself with the needs and interests of the faculty, administrative staff, and students in creating and sustaining the university's academic environment, including creation, evaluation, continuation, and termination of academic programs. It shall attend to faculty members' concerns about matters such as faculty evaluation and compensation. The academic affairs and student success committee shall have the following subcommittees:

(1) Student conduct, rights, and responsibilities. This subcommittee shall develop and recommend policies concerning student conduct, rights, and responsibilities that comply with federal and state laws, rules, and regulations; and

(2) Other subcommittees as the board finds necessary and expedient.

(c) The advancement and public affairs committee shall oversee university programs related to private gifts, alumni programs and support, public relations and

communications, and governmental relations at the local, state, and national levels. The advancement and public affairs committee shall have the following subcommittees:

(1) Community and alumni relations. This subcommittee shall gather input from and provide a forum for stakeholders. It shall develop and recommend policies that address interests and concerns of the university community, including alumni, and of the state and local communities in which the campuses and institutes of the university operate; and

(2) Other subcommittees as the board finds necessary and expedient.

(d) The athletics committee shall review the operation and provide oversight of the athletic programs of the university. It shall assist with public relations and fundraising in support of athletic programs. The athletics committee shall have subcommittees as the board finds necessary and expedient.

(e) The audit and compliance committee shall be responsible for the integrity of the university's annual financial statements, the university's compliance with legal and regulatory requirements concerning auditing, knowledge of all auditing activities, and oversight and direction of internal auditors. The audit and compliance committee shall have subcommittees as the board finds necessary and expedient.

(f) The executive and compensation committee shall ensure that the board of trustees fulfills the university's responsibilities. It shall oversee university policy, the work of other standing committees, the university's planning process, and the president's performance, welfare, and compensation. It shall approve all property acquisitions and disposals. It shall oversee and monitor the university's commitment to and compliance with the state's plans and objectives for higher education. The executive and compensation committee shall act for the board when necessary between meetings of the board. The president of the university shall serve as an ex officio, nonvoting member of the executive and compensation committee. The executive and

compensation committee shall have subcommittees as the board finds necessary and expedient.

(g) The finance and administration committee shall provide oversight for the university's finances, business, and facilities. The committee shall advise the board on the state of the university's financial operations, budgetary allocations, student fees, personnel policies, investment performance strategy and returns, and facilities. The committee shall ensure the university operates within available resources and applicable federal, state, and university policies in a manner supportive of the university's strategic plan. The finance and administration committee shall have the following subcommittees:

(1) Efficiency and cost savings. This subcommittee shall establish a time frame for the evaluation of each area of the university's operations to determine whether more efficient operation and cost savings may be achieved. The subcommittee shall make recommendations as to efficiencies and cost savings that will improve the university's operations. The subcommittee shall prepare an annual report of its findings, conclusions, and recommendations for the finance and administration committee and the board of trustees. The board of trustees shall include the report of the subcommittee in its annual report under § 49-9-208;

(2) Tuition, fees, and financial aid. This subcommittee shall make recommendations to the committee and the board on tuition and fees, taking into consideration the needs of both students and the university. It shall also evaluate financial aid in relation to the cost of attendance and recommend policies to improve the availability of financial aid that are in the best interest of students, the university, and the state; and

(3) Other subcommittees as the board finds necessary and expedient.

(h) The health affairs committee shall assist the board in exercising oversight of the clinical activities of the health science center. The health affairs committee shall have subcommittees as the board finds necessary and expedient.

(i) The research, outreach, and economic development committee shall oversee programs seeking to extend the university's scientific, technological, commercial, and educational expertise to communities, counties, agencies, and organizations in the state, nationally, and globally. The research, outreach, and economic development committee shall have subcommittees as the board finds necessary and expedient.

(j) The trusteeship committee shall stay informed about governance issues, propose implementation of governance best practices, and organize the working processes of the board. The trusteeship committee shall have subcommittees as the board finds necessary and expedient.

(k) The university life committee shall oversee and develop policies and make recommendations concerning the overall life of the university community and the university's nonacademic programs, other than athletics. The university life committee shall have the following subcommittees:

(1) Nonacademic programs. This subcommittee shall monitor the nonacademic programs of the university, including programs related to diversity. It shall develop and recommend policies concerning nonacademic programs that shall address interests and concerns of the university's students, faculty, staff, and alumni, and local and state communities. It shall monitor the compliance of nonacademic programs with federal and state laws, rules, and regulations; and

(2) Other subcommittees as the board finds necessary and expedient.

(l) The board shall appoint the members of the committees and subcommittees. Each committee and subcommittee shall meet as often as necessary to carry out its

responsibilities, but no less than semiannually. A majority of the voting members of a committee or subcommittee shall constitute a quorum for the transaction of business.

SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring it.